3. LEGISLATIVE BUSINESS—GOVERNMENT BILLS

1. The Cochin Income-tax Act (Amendment) Bill

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government):* Sir, I move that the Cochin Income-tax Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

2. The Cochin Payment of Salaries and Allowances Act (Amendment) Bill

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government):* Sir, I move that the Cochin Payment of Salaries and Allowances Act (Amendment) Bill be taken up and finally passed.

Mr. B. V. K. Menon *(Secretary to Government):* I second it.

Motion put and carried

3. The Cochin Factories Act (Amendment) Bill

Rao Sahib C. J. Mathew *(Secretary to Government):* Sir, I beg to move that the Cochin Factories Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

4. The Cochin Trade Marks Act (Amendment) Bill

Rao Sahib C. J. Mathew *(Secretary to Government):* Sir, I beg to move that the Cochin Trade Marks Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

5. The Cochin Maternity Benefit Act (Amendment) Bill

Rao Sahib C. J. Mathew *(Secretary to Government):* Sir, I beg to move that the Cochin Maternity Benefit Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

6. The Cochin Anchal Act (Amendment) Bill

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government):* Sir, I beg to move that the Cochin Anchal Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

7. The Cochin Police Act (Amendment) Bill

Mr. B. V. K. Menon *(Secretary to Government):* Sir, I move that the Cochin Police Act (Amendment) Bill be taken up and finally passed.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Motion put and carried

8. The Sales Tax Bill

Mr. President: Before I ask the Chief Secretary to present the report of the Select Committee on the Sales Tax Bill I should like to say that yesterday evening, I met representatives of various bodies representing trade in cocoanuts, cocoanut oil, copra, coir and so on and also persons connected with trade in hill produce. We had a long discussion at which the Advocate-General and the Industries representative were both present. And one of the amendments which the Advocate-General gave notice is the outcome of that discussion. But as regards the main request that copra, cocoanut oil and other products of cocoanuts and hill produce should be added to the schedule of exemptions, I promised to give it my best consideration and assured them that the Government is no less anxious than the capitalists to do

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nothing that would tend to drive trade away, from the State. Well, I have considered the matter very carefully and it seems to me that the Government should support the Bill as amended by the Select Committee subject to this amendment which the Advocate-General has given notice. We shall arrange a machinery by which the state of the trade in these commodities will be specially and continuously watched and on the first sign of any movement of trade away from the State immediate action would be taken.

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government):* Sir, I beg to present the Select Committee Report on the Cochin Sales Tax Bill and move that the Bill as reported by the Committee be taken into consideration.

Mr. M. Sivarama Menon *(Advocate-General):* I second it.

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government):* Sir, there are just one or two points which I might refer to here. The report is very elucidative and any long comments from me are not required. On the procedure side we have deleted the provision for search which was provided for originally. Another change brought about is this: When the Deputy Commissioner raises the assessment, there is a separate power now for appeal to the Sales Tax Commissioner. This is intended as a further safeguard to assessees. Then the main change is in the exemptions from this taxation. The Committee has very carefully considered the various aspects that were brought before it for consideration, and under the present circumstances they thought that as liberal an exemption should be given to the exempted commodities as possible and with that intention a Schedule under Section 5 has been added. That Schedule includes.—

Salt.
Rice, Paddy, Wheat other cereals and pulses.
Jaggery.
Sugar.
Vegetables.
Fresh Milk.
Fresh fish, except fresh fish intended for export outside the State or when sold in containers.
Meat, except which is cured or frozen.
Cooked food, including coffee and tea, when served at a Hotel, Restaurant, Refreshment room, Eating House, or Boarding House or any other place, provided the annual turnover of such sales does not exceed Rs. 15,000 and when notices are displayed prominently at such places that no Sales Tax is payable in respect of the food, coffee or tea served there.
Cheap cloth of such variety and cost as may be specified by Government by notification in the Cochin Government Gazette.
Hand spun yarn.
Hand woven cloth including Khadar.
Fire-wood, charcoal, cocoanut shell and other fuel sold for domestic purposes.
Water excepting aerated or mineral waters.
Agricultural implements.
Fertilisers, except when sold for purposes of export.
Cattle fodder including grass, straw, cotton seeds, gingili oil cake and bran.
Groundnut oil cake and Cocoanut oil cake, except when sold for purposes of export.
Newspaper in circulation.
Text books approved by Government for primary classes I to IV.
Tobacco as defined in the Cochin Tobacco Act, VII of 1084.
Any goods on which duty is or may be levied under the Abkari Act, I of 1077 or the Cochin Opium Act, VIII of 1076, or the Cochin Matches (Excise Duty) Act, VIII of 1110.
Bullion and specie.
Finished products of coir or jute, manufactured in Cochin State.
Coir sold for local consumption.
Cocoanut oil sold for domestic consumption and use within the State.
Betal nuts.

And with regard to the Mill industry the provision has been changed that it will be taxed only on the turn over fixed at the rate of cost of actual milling rather than the cost of the oil as is produced. So as much concession as possible has been shown and the Government are most anxious that everything possible should be done not to injure the small consumers. I request that the Bill be now taken up for consideration.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. Puthur Achutha Menon *(Kattur)*: Sir, as a member representing this Party in the Select Committee, I have to make a statement at this stage. As everybody knows the Sales-Tax is a Tax which actually falls on the consumer. So the non-official members of the Select Committee were very particular that the ordinary man should least be affected by this tax. As a principle in a legislation like the Sales-Tax it is but natural that actual necessities of the people are exempted from the operation of the Act. It is only comforts and luxuries that can find a place for taxation in legislations like this. It is this policy that has guided the non-official members of the Select Committee in coming to conclusions.

Sir, you may please note the history of this legislation: A Bill was brought into this Council and the Select Committee had to sit within 3 days and make its final report. As is well-known to the Members of this House it is a very difficult piece of legislation and the Select Committee must be guided by real evidence to justify their reports. But in this short time available at our disposal it was very difficult to get as much evidence as we wanted and a reques t for the postponment for consideration was not possible owing to the circumstances which the Advocate-General, I think, will explain to the House, later.

Sir, the non-official members of the Select Committee have made one point clear, *i.e.*, we had no enough materials to arrive at a conclusion as to how this tax will affect the trade and commerce of this country. So we have definitely made it clear that that responsibility to find out the effect of this tax on trade and commerce and to take suitable measures to prevent the trade drifting from this State to outside, must naturally lie on the Government members of the Select Committee. If we had enough material to guide us we would have also co-operated with them in the matter. But as the time at our disposal was very short and as sufficient evidence was not available I made it clear that the Government themselves should undertake that responsibility and I think Government will see to that matter. In the light of the statement made by the Hon'ble President this morning I think that that matter will engage their special attention. I must stress here that we are as much particular as the Government to see that trade and commerce should not be affected by passing this Bill. So I bring to the notice of the House that in the interests of both the officials as well as the non-officials of this House, adequate care must be taken, proper search must be made to see that trade and commerce of the State are not affected by this legislation.

Sir, I want to make another matter also clear. By a perusal of the report it will be known that income from cocoanuts is taxed at 2 points. But at the same time we have not taxed paddy and other agricultural produce. There was a difficulty for us in the matter, because now the entire paddy is purchased by Government. Therefore we thought that even though we tax the sales of paddy, the price of paddy might be increased and the Government also in the place of paying 8 or 10 lakhs as subsidy now will be compelled to transfer 2 or 3 more lakhs to that department. Therefore whether we impose tax on paddy or not it makes no difference. But the Hon'ble non-official members made a request that it is high time to consider the introduction of agricultural Income-tax in the State. People who are selling paddy worth Rs. 10 or 15 thousand are escaping from the incidents of this taxation. This is most inequitable, according to us. I hope the Government will therefore bring into force the agricultural Income-tax Act also as early as possible.

Sir, now there are so many legislations regarding the Sales Tax available to us. The Madras Act is available to us but we had no time nor convenience to study all about that Act and the considerations that prevailed with the Madras legislature in passing that Law. Then there is the Bombay Bill and the Bengal Bill. One thing that attracted us most in the Bengal Bill is this. There we see that mustard oil and jute are exempted from that legislation. We have to consider about that, because all of us know that mustard oil and jute are the major produce of Bengal and there must be a principle in guiding that legislature in exempting either things. It is on the analogy of these two things that Government must consider whether cocoanut oil, copra and such other produce should be exempted or not. Government must make a definite promise that they will send one of their experts to Madras, Bombay or Bengal to study this legislation. Sir, with these few words and once again making it clear that it is the responsibility of the Government to see that trade and commerce of this Country is not affected by this tax and also making clear that we have bestowed our best of attention to see that the incidence of this taxation does not fall on the poor consumer that we have made this report, I conclude.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. P. Kumaran Ezhuthassan (*Vadakkancheri*): Mr. President. As perhaps the only Independent Member on the Committee which start for considering this all important fiscal measure I wish also to add a word or two at this stage of the discussion of the Sales-Tax Bill. It is stated, Sir, in the statement of objects and reasons for this Bill that "the necessity to continue the payment of Dearness Allowance to Government Servants and the establishments of the Food and Textiles Departments on account of the abnormal conditions still prevailing necessitate an augmentation of the general revenues of the State". By a measure like the one the Select Committe report of which has been presented, to the House by the Hon'ble Chief Secretary to Government. If, as mentioned in the statements of objects and reasons this piece of fiscal measure is attempted by Government just to tide over this difficult period when these actvities of the Government have to be carried out and therefore this enactment will go into the Statute Book of Cochin only as a temporary measure, and that when these necessities cease to exist this will be removed from the Statute Book, I believe, Sir, we are making a big mistake. There is a tendency, Sir, for any taxation measure, if it once goes into the Statute Book, it seldom, has any chance of being removed from it execept in very exceptional circumstances. So if the Hon'ble Members of this House render their support to this measure it must be on the distinct understanding that this is going to be on the Statute Book for ever. According to me it ought to be there, Sir, for ever, for the simple reason that though we might be tiding over the difficulties mentioned above if not all at once at some distance of time, we have other activities of a social welfare nature such as introduction of total prohibtion not before the world comes to an end but within the shortest time possible—as also the amelioration of the conditions of the masses, in the villagers, by taking up measures which will raise their standard of living. For this we-require money and money in plenty. Therefore, Sir, this piece of legislation which I am sure will go into the Statute Book of Cochin within a couple of days must be kept there permanently, at the same time making necessary changes adding to the schedule or deleting from the schedule, raising the rates of tax or reducing the rate of tax, whichever is necessary and desirable from time to time. With these changes this measure should remain on Statute Book of Cochin. If we render our support to this measure it is not because that we feel this is going to be a temporary measure but with the full knowledge that it is going to be a permanent measure.

Now, Sir, the Select Committee which sat from day to day after a strenuous day's work in this Council—at times useful and at times useless, but still arduous and strenuous—bestowed their best attention upon the Bill, as a whole but with particular reference to 2 points. The question of taxation at one point or at several points, was very seriously considered. The other thing was with regard to the items to be included in the schedule of exemptions. As has been stated by the Hon'ble Leader of Opposition at the earlier stage of this Bill—he made a suggestion then that the desirability of having the incidence of taxation only at one point whichever point that he may be considered, and we did consider by a comparison of the figures of the income from provinces where this measure exists. We were led to believe, Sir, that in the present condition of affairs here it will be profitable and even equitable to follow the Madras system here. We find, Sir, that in Madras the income from this source is Rs. 4·86 crores while that from income-tax is only 1·55 corers, *i. e.*, with several point taxation at the rate of one pe in the rupee. Bombay which just for reasons which I may hereafter state, attempted the single point taxation, has an income from this measure only of two crorers of rupees while the Income from Income-tax in that Province has been 6 and odd crores. They got an income from the measure only 2 crores even with 6 pies in the rupee as the rate of taxation. Bengal where it is proposed to be introduced expects to get 2 crores again at single point taxation at 9 pies in the rupee while its income tax is 4·46 crores. This gives us a tell-tale story and a guide and we attempted and succeeded in adopting what is best for us at the present juncture. It means that if it is found on the working of this Act that it is desirable to have a single point taxation, we must certainly be prepared for that. This has been specifically referred to in the Select Committe report.

Now the other point that was considered by the Committee was the Schedule of exemptions. The draft Bill had only a few items of exemptions while the re-drafted Bill contains 27 items. And as was observed by my friend from Irinjalakkuda special care was taken to see that the poor man's needs are not taxed and they are coming under the Schedule. I do not wish to go into the details of the articles exempted because they are in the Bill in print. From the Schedule you will be pleased to find, Sir, that almost every item of the necessaries of life of poor men are in the list of exemptions. Certain others which are there are sought to be removed by an amendment given notice of by one of the Hon'ble Members. My opinion regarding those items I shall state when my Hon'ble friend the sponser of those amendments moves them. According

LIBRARY ARCHIVES Kerala Legislative Assembly

to me and according to all the Members of the Select Committee non-officials as well as officials, we consider this schedule is an absolute necessity. Nothing can be taken out of it. Everything that is necessary for the villager, the agriculturist, the poor man is there, and let not an attempt, Sir, be made to remove any one of the items at least for some time to come. That is a point that I also wish to stress along with my Hon'ble friend Mr. P. Achyutha Menon.

Another point mentioned in the Select Committee Report and referred to my Hon'ble friend, Mr. Achyuta Menon is that a grade of scale of Income-Tax on agricultural income should be introduced at the earliest date. I would say that it is criminal, for Cochin State not to have introduced a graded scale of agricultural Income-tax years before. You will find, Sir, from the Budget statement that is put into our hands that the income of the State from Land Revenue for about 10 years has been ranging from 10 to 12 lakhs of rupees. While 10 years back the expenditure of the department was only 3 lakhs of rupees, in the present year and a few years preceding, you find that while the income remains stagnant the expenditure is mounting and even rocketting from 3 lakhs to a comparatively enormous figure of 9 lakhs of rupees. We used to collect 12 lakhs though it is by beating a beaten horse, the agriculturist of the village 10 years back. And the expenditure incurred in that behalf by that Department was only 3 lakhs of rupees. But now, while the beaten horse refuses to give you anything more and the income from the Revenue Department—I mean Land Revenue—is static, the expenditure is progressively increasing year by year, reaching the figure of 9 lakhs of rupees as is seen in this year's budget. Sir, the position of things have changed. I am now on the expenditure. The income from Land Revenue under the Act which is obtaining today is too meagre. This system should be changed as is done in the neighbouring State. An intelligent, graduated—I use these words deliberately—system of Income-tax on agricultural income has to be introduced. It ought to have been introduced long ago. I say, it should be introduced immediately. I hope, Sir, that the Government will be pleased to come before this House when we meet in Vrischigam next with a measure of that sort. And if you will not be pleased to do it by yourself, sure as anything, Sir, Members on this side of the House will come with the measure although with the fate that non-official bills are generally thrown to the last day in the arrangement of business. I, therefore, request that in the interests of the State, in the interests of the Government, and in the interests of the good things which we have to do by the masses, to come forward with this measure at the earliest opportunity. The Select Committee has made a serious note of that in Select Committee Report. While the non-official members were unanimous in that desire of theirs, the official Members could only remain neutral.

But the force of the non-officials you have seen, you will continue to see. Therefore, Sir, do it at the proper time. Augment your income necessary for doing the good thing that you have to do by the villagers, who are suffering, unlike the people in the towns drawing large salaries, having very many luxuries; that is not the condition of the villager; that has to be remedied; for that this has to be done. It is only with these conditions attached to the support that you may expect to get consent for this measure from this side, conditional support we give and unless suitable reactions are seen at the earliest possible date, we know what to do. It will be done also. Please don't take it as a threat or warning. It is a timely advice given to the Government with the best of intentions; with the hope that it will be suitably reacted. I make only these observations just at this point, Sir, I give my conditional support to this measure.

Shabdai S. Koder *(Nominated):* Mr. President, Sir, as one who has been and is paying Sales Tax and as a businessman, I cannot but view with great misgivings the introduction of the Sales Tax in our State. Sir, the Sales Tax is the most objectionable tax.....

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* It is a just tax.

Shabdai S. Koder *(Nominated):* .....and it has been condemned by no less a person than by the present Chancellor of the Exchequer. He said that the Sales Tax or the purchase tax, as they call it in England, was introduced only as a war measure and as soon as the war ended many of the articles were exempted from the provisions of this tax. Sir, the burden of this tax will be felt more by the poor consumer than by the rich.

Mr. P. Kumaran Ezhuthssan *(Vadakkancheri):* You are mistaken.

Shabdai S. Koder *(Nominated):* I have got experience in that. Sir, every article imported into our State, the cost will rise by 3 per cent. That is to say, the poor man has to pay for every rupee he pays, he will have to add an additional half-an-anna. I am very glad that most of these articles necessary for the poor man have been exempted. But unfortunately, Sir, I cannot agree with Hon'ble Friend Mr. Ezhuthassan. This tax should not find a permanent

LIBRARY ARCHIVES Kerala Legislative Assembly

place in our Statute Book. As soon as funds are available and as soon as Government are able to tide over the present difficulties, this tax must be replaced by some other tax. With these words, I support the measure.

Dr. S. S. Rao *(Nominated):* Sir, while associating myself with all that has been expressed by the Hon'ble friend on my left, I have to say something regarding this particular tax as it relates to our State. It is a well known fact that the volume of export and import of the country has a direct bearing on the elasticity of its revenue returns. Now, so far as we here in Cochin State are concerned, our imports here are such that the major portion of the imports are made outside Cochin State. Then what about our exports. For the Major portion of our exports, we have to depend on the surrounding areas. Thus peculiarly placed as we are, any piece of new legislation that has to be introduced has to be undertaken with due care and weighing the consequences properly as to the deliterious influence it will exercise on the revenues of the State. I am here now to plead for the Government, Sir. Here, our position as it stands now, I find is that the hill produce has been of course totally removed out of the exemption schedule. What is the position of the hill produce? Most of the imported of the hill produce that go *via* Cochin as I have understood is pepper, ginger and turmeric. Thousands of tons of pepper pass *via* Cochin and 90 per cent of this pepper that passes is from Travancore and adjoining areas, not from Cochin State. Similarly, of course, there are other hill produces, but those could be neglected. But we have to give due regard for these particular items of the hill produce. You may ask me, why? When thousands of tons of these hill produces go *via* Cochin, we have to consider how far it will influence our revenues. The market rates, supposing now today in Alleppey is Rs. 500 per candy of pepper and we were to impose Sales Tax at one per cent, what reactions will have on our merchants, I mean the merchants as a class,—they have always got a tendency to tap at the lowest resources—when they find that they have to pay a Sales Tax of at least Rs. 5 for every candy of pepper, which by two turnovers in the local market will mount up to Rs. 10, naturally of course the merchants in Bombay will make their own arrangements with Alleppey, and we stand the chance of losing not only the Sales Tax, but also to that extent our Income Tax. Such being the conditions under which we are placed, I have my own fears how far our position will be correct in finding a course out, a clearing for the deficit for which we are going to introduce this tax. I do not say that it is going to be a total failure, but I have my own fears that it will have its own deleterious influence on our business turnover of the State.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* Rather imaginary here.

Dr. S. S. Rao *(Nominated):* It is a fact that I am speaking. Further, regarding the analogy that has been drawn between Madras and Cochin, particularly regarding of course the ground nut, I have again to state that Madras Province is a huge Province, having no necessity to depend on any other area for the export of its ground nut. Madras Government can impose any type of legislation relating to the collecting of tax, but so far as it relates to Cochin, so long as we are dependent on outside areas even for our cocoanut oil, we find as it relates to cocoanut oil and copra, that many of our mills here even today are not in a position to work to the fullest extent of their power due to the difficulty of procuring copra. When we are placed like that, it is rather risky and I have to bring that to your notice regarding the analogy between Madras Province and Cochin State regarding the imposition of the tax. So, it is rather with care that we have to adopt this measure and further more I shall speak when I move the amendments.

Mr. M. O. Thomakutty *(Commerce and Industry):* I am sorry, Sir, unfortunately I happened to be a Member in the Select Committee and the Committee had no time to study the ways and means in detail of the Bill. I am of opinion that the system of taxing at every point of sale is a very bad system. It will increase the burden of the consumer enormously. Bombay and Bengal have preferred the system of one point taxation and that is undoubtedly much more fair. In Madras the multiple tax system was introduced for the purpose of compensating the loss of abkari revenue by prohibition. There is no such necessity here. So the Government should have been satisfied with a single point taxation as in Bombay and Bengal, but I hope the Government will further investigate the question and take steps to amend the Act if they find the single point taxation to be more just and fair.

In section 2 of the Act, in explanation II it is stated that "notwithstanding anything to the contrary in the Cochin Sale of goods Act, the sale of any Goods which are actually in Cochin at the time when the contract for sale is made in respect thereof, shall, wherever the said contract of sale is made, be deemed for the purposes of this Act to have taken place in Cochin."

LIBRARY ARCHIVES Kerala Legislative Assembly

When the sales take place in Madras Province and the goods are kept in Cochin State, it is not clear whether the party will be liable to pay the tax. Similarly, section 26 (2) says "all accounts, registers and documents relating to the stocks of goods of, or purchase, sales and deliveries of goods by, any dealer and all goods kept in any place of business or warehouse of any dealer shall at all reasonable times be open to inspection by the Commissioner of Sales Tax, the Deputy Commissioner of Sales Tax, the Sales Tax Officer or any other officer authorised in this behalf." In this case, I wish to bring to the notice of the Government that the officer who is to be authorised to inspect or check the account may not be one who is not of a lower rank than the Income Tax Officer. I request the Government also to give ample time to study these things in detail before putting the Act into force.

ചൌധരി ജി. എസ്സ്. ധാരാസിംഗ്: നമ്മുടെ മുമ്പാകെ അവതരിപ്പിച്ചിരിക്കുന്ന ഈ ബില്ല് ഗവമ്മെണ്ടുദ്ദേശിക്കുന്നതുപോലെ അത്ര നിർദ്ദോഷമാണെന്നോ, അല്ലെങ്കിൽ അപകടമില്ലാത്തതാണെന്നോ വിചാരിക്കുന്നതു വാസ്തവത്തിൽ വലിയ തെറ്റായിരിക്കും. പണത്തിന്റെ അത്യാവശ്യംകൊണ്ടു് ഗവമ്മെണ്ടു് എന്തും ചെയ്യുവാൻ തുടങ്ങുകയെന്നുവെച്ചാൽ അതു സമ്മതിച്ചു കൊടുക്കുവാൻ അനുദ്യോഗസ്ഥമെമ്പർമാർ തയ്യാറില്ലെന്നുള്ളതു് ഇതിനു മുമ്പു പ്രസംഗിച്ചവരുടെയും അഭിപ്രായങ്ങൾകൊണ്ടുതന്നെ മനസ്സിലാക്കുവാൻസാധിക്കും. പ്രജാമണ്ഡലം ഡെപ്യൂട്ടി ലീഡർ പറയുകയുണ്ടായി, ഒന്നാമതു ഇതിനെപ്പറ്റി പരിപൂർണ്ണമായി അറിയുവാനും, അദ്ധ്യയനം ചെയ്യുവാനും സമയം കിട്ടിയിരുന്നില്ല, വളരെവേഗത്തിൽ രണ്ടു മൂന്നു ദിവസത്തിനുള്ളിൽ സെലക്ട് കമ്മിറ്റിയോഗം ചേരുകയും ഇവിടെ സമർപ്പിച്ചിരിക്കുന്ന റിപ്പോർട്ടുതയ്യാറാക്കുകയും ചെയ്തു എന്നു്. ഈ സെയിൽസ് ടാക്സ് ആക്ട് കൊച്ചിയിൽ നടപ്പിൽ വരുത്തിയാൽ അതുകൊണ്ടുണ്ടാകുന്ന ആപത്തുകളും, അതിന്റെ സകല ഉത്തരവാദിത്വങ്ങളും ഗവമ്മെണ്ടിന്റെ തലയിൽതന്നെയാണിരിക്കുന്നതെന്നും അതു ഗവമ്മെണ്ടു തന്നെ ഏറ്റെടുക്കണമെന്നും ഞങ്ങളെല്ലാവരും വളരെ സ്പഷ്ടമായി അഭിപ്രായം പ്രകടിപ്പിച്ചു കഴിഞ്ഞിട്ടുണ്ടു്. പക്ഷെ അതൊടൊപ്പംതന്നെ പണം അത്യാവശ്യമാണു്, പണമില്ലാതെ ഈ ഗവമ്മെണ്ടു കൊണ്ടുനടക്കുവാൻ സാദ്ധ്യമല്ലെന്നു് ഈ സഭയുടെ മുമ്പാകെ വന്നു കെഞ്ചുന്നതു കാണുമ്പോൾ ഈ ഗവമ്മെണ്ടിനോടു് യാതൊരു ദയാദാക്ഷിണ്യവും കാണിക്കുവാൻ പാടില്ല. ഈ അതിനു് ഗവമ്മെണ്ടു് അർഹിക്കുന്നില്ല എന്നുണ്ടെങ്കിലും, നമ്മുടെ മഹാമനസ്കതകൊണ്ടു മാത്രമാണു് വാസ്തവത്തിൽ ഇതിവിടെ പാസ്സാകുവാൻ പോകുന്നതെന്നു് ഞാൻ പറഞ്ഞുകൊള്ളട്ടെ. ഈ നികുതി ഈ രാജ്യത്തു് ഇന്നു നിലവിലുള്ള കച്ചവടത്തിന്റെയും വ്യവസായത്തിന്റെയും വളർച്ചയെ തടയുമെന്നു മാത്രമല്ല പ്രധാനപ്പെട്ട കച്ചവടങ്ങളും വ്യവസായങ്ങളുമെല്ലാം കൊച്ചിവിട്ടു് അടുത്തരാജ്യമായ തിരുവിതാംകൂറിലേക്കു കടന്നു പോകുമെന്നും ഗവമ്മെണ്ടു വളരെ നല്ലവണ്ണം മനസ്സിലാക്കണം. ഞങ്ങൾ 'ക്യാപ്പിറ്റലിസം' എന്നു പറയുന്നതിനെ ഒരിക്കലും വളരുവാനൊ പ്രോത്സാഹിപ്പിക്കുവാനോ സഹായിക്കുന്നതല്ല. നമ്മുടെ കച്ചവടവും വ്യവസായവും ഒരിക്കലും നശിപ്പിച്ചു കളയരുതു്. അതിനെ വീണ്ടുമുട്ടിച്ചു തൈക്കിക്കൊല്ലരുതു്. അതു ഞങ്ങൾ സമ്മതിക്കുകയില്ല. ഏതൊരു രാജ്യത്തും വ്യവസായവും കച്ചവടവും അത്യാവശ്യമാണു്. ഇങ്ങിനെ രാജ്യത്തു് അത്യാവശ്യമായ വ്യവസായങ്ങളും കച്ചവടങ്ങളും ഈ ടാക്സ് കൊണ്ടു്, പത്തോ പന്ത്രണ്ടോ ലക്ഷം ഉറുപ്പിക കൂടുതൽ കിട്ടുമായിരിക്കാം എന്നു വിചാരിച്ചു എത്രയോ കൊല്ലമായി ഇവിടെയുള്ള കച്ചവടങ്ങളേയും വ്യവസായങ്ങളേയും ഓടിച്ചു കളയുന്നതു് ഗവമ്മെണ്ടിന്റെ ബുദ്ധിശൂന്യതയാണെന്നു ഗവമ്മെണ്ടിന്റെ ശ്രദ്ധയിൽ പെടുത്തുവാൻ ഞാൻ ആഗ്രഹിക്കുന്നു. ഈ ബിൽ നടപ്പിലായാൽ പല വിഷമതകളും അതുകൊണ്ടു ഉണ്ടാകുവാൻ പോകുന്നു എന്നുള്ളതു് സൂചിപ്പിച്ചു കൊണ്ടാണു് ഡാക്ടർ എസ്സ്. എസ്സ്. റാവു ഒരു ഭേദഗതി ഇവിടെ അവതരിപ്പിച്ചിരിക്കുന്നതു്. വാസ്തവത്തിൽ നിഷ്ഠുരമായ പല കുണ്ടുകളും കുഴികളും ഇനിയും നമുക്കു തരണം ചെയ്യേണ്ടതായിട്ടുണ്ടു്. നാം ആ കുണ്ടുകളിലും കുഴികളിലും വീണുപോകാതെയിരിക്കണം. ഇതു് ഓരോന്നും നോക്കിവേണം നമ്മുടെ കാലടിപ്പാടുകൾ മുന്നോട്ടു വെക്കുവാൻ എന്നാണു് അദ്ദേഹം ആ ഭേദഗതികൊണ്ടു് ഉദ്ദേശിച്ചിരിക്കുന്നതു്. അദ്ദേഹം ആ ഭേദഗതികൊണ്ടു ഉദ്ദേശിച്ചിരിക്കുന്നതു് അദ്ദേഹം ഭേദഗതികൾ അവതരിപ്പിച്ചു ഇവിടെ പ്രസ്സു ചെയ്യുന്നില്ലെങ്കിൽ അതു പ്രസിദ്ധമുണ്ടു അവർകൾ വളരെ സ്പഷ്ടമായി അസന്നിഗ്ദ്ധമായ ഭാഷയിൽ ചെയ്ത പ്രസ്താവന കാരണം മാത്രമാണു്. ഈ ആക്ട് കൊണ്ടു് വല്ല വിഷമങ്ങളും ഉണ്ടായി ഇവിടെയുള്ള കച്ചവടങ്ങൾ തിരുവിതാംകൂറിലേക്കു കടക്കുമെന്നു തോന്നുകയാണെങ്കിൽ അപ്പോൾതന്നെ അതിനുവേണ്ട നടപടികൾ എടുക്കുന്നതാണെന്നു ദിവാൻ

LIBRARY ARCHIVES Kerala Legislative Assembly

ജി.പ്രസ്താവിച്ചിട്ടുണ്ട്. അതു ഒരു വാശ്ദാനംപോലെതന്നെയാണു് ഞാൻ കരുതുന്നതു്. പ്രസിഡണ്ടു് അവർകളുടെ ഈ വാശ്ദാനംകൊണ്ടു് പരിപൂർണ്ണമായി ഞങ്ങൾ തൃപ്തരായിട്ടില്ല, ആശങ്കകൾ ഞങ്ങളുടെ മനസ്സിൽനിന്നു പോയിട്ടില്ല. ഞങ്ങൾക്കിപ്പോഴും ഭയമുണ്ടു്. ഈ സെയിൽസ് ടാക്സ് നടപ്പിൽ വരുകയാണെങ്കിൽ ചില വ്യവസായങ്ങളെല്ലാം കൊച്ചി വിട്ടു തിരുവിതാംകൂറിലേക്കു പോകുമെന്നുള്ളതിനു സംശയമില്ല. അതുകൊണ്ടു ഗവൺമെണ്ടു വളരെ ശ്രദ്ധിച്ചു, കണ്ണിൽ എണ്ണയൊഴിച്ചു ഇരുന്നു ഈ ആക്ടു് നടപ്പായതുകാരണം ഏതെങ്കിലും കച്ചവടമൊ വ്യവസായമൊ ഇവിടെനിന്നും വിട്ടു പുറത്തേക്കു പോകുന്നുണ്ടോ എന്നു പ്രത്യേകിച്ചു നോക്കേണ്ടതാണു്. ഇതു പാസായി ഒരാഴ്ചവരെ പ്രത്യേകിച്ചും വളരെ കായ്ക്കുമായി ശ്രദ്ധിച്ചു നോക്കിക്കൊണ്ടിരിക്കണം. We will watch and see എന്നു പറഞ്ഞിട്ടു പലപ്പോഴും ഉറങ്ങിക്കിടക്കയും ചെയ്തിട്ടുണ്ടു്. അതുകൊണ്ടു watch എന്നുള്ള പദം അനാവശ്യമായി പ്രയോഗത്തിൽ വരുത്തണമെന്നാണു് ഇതിന്റെ ഉത്തരവാദികളോടു എനിക്കു അഭ്യർത്ഥിക്കുവാനുള്ളതു്. ഇന്നു് പെപ്പർ, ജിഞ്ചർ മുതലായ ഹിൽ പ്രോഡ്യൂസസ്സിന്റെ കായ്ം തന്നെ എടുക്കാം. ഇവയുടെ ഉല്പന്നം അധികവും തിരുവിതാംകൂറിലാണു്. അവിടെനിന്നു ഇവിടെ കൊണ്ടുവന്നാണു് അവയെല്ലാം വില്പന നടത്തുന്നതും കയറ്റി അയക്കുന്നതും സെയിൽസ് ടാക്സ് വന്നാൽ ഇവിടെനിന്നു കയറ്റി അയക്കുന്നതു കുറയുകയും തിരുവിതാംകൂറിൽനിന്നു കയറ്റി അയക്കുന്നതു് കൂടുതലാകയും ചെയ്യും. അവിടെ ഇവിടത്തേക്കാൾ വിലകുറച്ചു കിട്ടുമെങ്കിൽ വില കുറവായി കിട്ടുന്ന സ്ഥലത്തു നിന്നു വാങ്ങുവാൻ കച്ചവടക്കാർ തയ്യാറാകും. ഇഞ്ചി, കുരുമുളകു് മുതലായവ തിരുവിതാംകൂറിൽ കൊച്ചിയിലേക്കാൾ അധികം ഉണ്ടാകുന്നു എന്നുള്ളതു് ഇവിടെ നിന്നു കയറ്റി അയക്കുന്നതോതും ഉല്പന്നത്തോതും നോക്കിയാൽ മനസ്സിലാകും. തിരുവിതാംകൂറിൽ നിന്നുള്ള ഉല്പന്നങ്ങൾ ഇങ്ങോട്ടു വരാതെയായാൽ ഇവിടെ നിന്നു കയറ്റി അയക്കുന്ന കച്ചവടം നിലച്ചു പോകയും ചെയ്യും. അങ്ങിനെ വന്നാൽ ഇൻകംടാക്സും കൂടി ഇപ്പോൾ കിട്ടിവരുന്നതും വളരെ കുറയുകയില്ലേ എന്നു് എനിക്കു സംശയമുണ്ടു്. അതു് പ്രത്യേകിച്ചു ലാമെമ്പർ അവർകളുടെ ശ്രദ്ധയിൽ പെട്ടിട്ടുണ്ടെന്നു ഞാൻ വിശ്വസിക്കുന്നു.

Mr. President: Has the Hon'ble Member finished his speech?

ചൌധരി ജി. എസ്സ്. ധാരാസിംഗ്: I am finishing Sir. പല അപകടങ്ങളും ഈ ആക്ടിൽ ഉള്ളതുകൊണ്ടു് വളരെ സൂക്ഷിച്ചും ശ്രദ്ധിച്ചും ഇതു നടപ്പിൽ വരുത്തണം. നടപ്പാക്കുമ്പോഴും തന്നെ ഇതുകൊണ്ടു വല്ല ഹാനിയും തട്ടുന്നുണ്ടോ, വല്ല വ്യവസായങ്ങളും കച്ചവടങ്ങളും ഇവിടെനിന്നു അടുത്തുള്ള രാജ്യത്തേക്കു കടന്നുപോകുന്നുണ്ടോ എന്നു നോക്കി വേണ്ടി വന്നാൽ ഗവൺമെണ്ടിന്റെ അധികാരം ഉപയോഗിച്ചു ഒഴിവാക്കേണ്ട സാധനങ്ങളെ ഒഴിവാക്കി കച്ചവടങ്ങളൊന്നും ഇവിടെ നിന്നും വിട്ടുപോകാതിരിക്കാൻ പ്രത്യേകം മനസ്സിരുത്തണം. സർ, ഇവിടെനിന്നു വല്ല കച്ചവടങ്ങളും വിട്ടു പോയാൽ അതു രണ്ടാമതും കൊച്ചി രാജ്യത്തു സ്ഥാപിക്കണമെങ്കിൽ പത്തിരുപതു കൊല്ലത്തിനുമേൽ വേണ്ടിവരും. അതുകൊണ്ടു് അങ്ങിനെയുള്ള ബുദ്ധിശൂന്യത കാണിക്കാതെ വേണ്ടതു വേണ്ട സമയത്തു തന്നെ വേണ്ടപോലെയുള്ള അധികാരം ഉപയോഗിച്ചു ചെയ്യണമെന്നു ഒന്നുകൂടി ഉറപ്പിച്ചുപറഞ്ഞുകൊള്ളുന്നു. ഇത്രമാത്രമാണു് എനിക്കു ഈ ബില്ലിനെ സംബന്ധിച്ചു പൊതുവായി പറയുവാനുള്ളതു്.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* Sir, I ought to be naturally very hesitant to support such a measure, but to day I am not so very hestitant because our friends from the side of commerce are opposing this Bill. I have heard a policy in the Central Assembly that whenever .....

Mr. M. O. Thomakutty *(Commerce and Industry):* Who opposed the Bill?

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* Those who opposed it. In the Central Assembly whenever the question of rupee ratio came the Indian Members as a rule opposed the views taken by the European Members. Similarly without any hesitancy I can support the Bill since the Bill is opposed by a certain section. I have already made it clear in the very beginning, that the worst that may be said about the bill is that it is a measure for raising subscription from the people for the people's benefit. Government wants money to carry out some measures for the benefit of the people. Then also we can easily support the measure and Government have already taken particular care to meet the fears raised from the other quarters that trade will be carried away from this State. I have to say one thing to those friends who always harp on the possibility of trade being carried away. I think if pepper and

LIBRARY ARCHIVES Kerala Legislative Assembly

other hill products are carried to Alleppey, the cost of carriage will be more than the tax (hear, hear). Therefore, only fools will take away their trade to Alleppey. Merchants are not fools. They are always very clever.

Shbdai S. Koder (*Nominated*): Does the Hon'ble Member know that there is a harbour at Alleppy also?

Rao Shib K. Ayyappan *(Ezhuvas-Kanayannur)*: Yes. But no genii will take the pepper there without any cost. As regards the other articles, if they want to take away the trade, they have to take away the consumers also with them. It is very difficult. I am a layman in these matters. I am speaking from a common-sense point of view.

Mr. Jos K. Varghese (*Trichur-South*) : You are ignorant.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur)*: I don't pretend to be very omniscient about these things. I plead ignorance. But these measures are introduced in other places. It is introduced in Madras, in Bombay, in Bengal. In Travancore also it will be introduced. Therefore, we need not care much about these things. Let these poor consumers suffer, my friends.

Mr. P. A. Muhamed Ashroff *(Cranganur)*: Why?

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur)*: When the Control measures were introduced in the country for the sake of the poor people, particularly the commerce people were vehement against all control measures (hear, hear). If they were really sympathetic towards the poor, would they have come to oppose them?

Mr. V. R. Krishnan Ezhuthassan *(Oorakam)*: They said, it would hit the poor!

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri)*: It is crocodile tears.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur)*: No, no. It is merchants' tears. Why should insult the poor crocodile? It is merchants tears. Poor crocodile! It is cruelty on the part of man when he wants to take cover for some of his vices to pass them on to poor creatures.

Anyhow, I can without any hesitancy support this measure and as Mr. Puthur Achutha Menon as already pointed out, the Government will be watching the working of the Act and if there is anything necessary, Government have already in this Bill ample powers to meet the difficulties which arise in the course of the working of the Bill. Therefore, I support this Bill.

The House rose for lunch at 1-30 p.m. and reassembled at 2-30 p.m. with the Hon'ble Prsident in the chair

*മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ: സർ, ഈ ബില്ലിനെ ഞാൻ അനുകൂലിക്കുന്നു. സെലക്ട് കമ്മിറ്റിയിൽ ഈ ബില്ലിനെപ്പറ്റി പഠിച്ചാലോചിക്കുവാൻ സമയം കുറവായിരുന്നു എന്ന സംഗതി വാസ്തവമാണെങ്കിലും ഉള്ള സമയം ഞങ്ങൾ ഒരു മിനിട്ടുപോലും കളയാതെ നല്ലവണ്ണം പഠിച്ചാലോചിച്ചിട്ടുണ്ട്. ഈ ബിൽ നിയമസഭയിൽ അവതരിപ്പിക്കുന്നുവെന്നു കേട്ടപ്പോൾതന്നെ കച്ചവടക്കാരുടെ ഇടയിൽനിന്നും ചില ലഘുലേഖകളുണ്ടായി. അതു കണ്ടപ്പോൾ ജനങ്ങൾക്കു വളരെ ദോഷകരമായ ഈ ബിൽ നല്ലവണ്ണം ഒന്നു മനസ്സിലാക്കിയതിനുശേഷമല്ലാതെ ഇതിനെ സംബന്ധിച്ചു് ഒരു തീരുമാനം ചെയ്യുവാൻ സാധിക്കുകയില്ലെന്നാണു് ഞാൻ തീർച്ചയാക്കിയതു്. ബിൽ നല്ലവണ്ണം വായിച്ചതിനുശേഷം സെലക്ട് കമ്മിറ്റിയിൽ ഇതിനെ സംബന്ധിച്ചു് വലിയ വാഗ്വാദങ്ങൾ നടത്തിയതിനുശേഷവും സാധുജനങ്ങൾക്കു് പറ്റാവുന്ന രീതിയിലുള്ള സംഗതികൾ ഞങ്ങൾ ഇതിൽനിന്നു ഒഴിവാക്കുവാൻ കഴിയുന്നത്ര പരിശ്രമിച്ചിട്ടുണ്ട്. വലിയ കച്ചവടക്കാർക്കു് ഇതുകൊണ്ടു് ദോഷമുണ്ടാകയില്ല, കൺസ്യൂമേഴ്സിനായിരിക്കും ഇതു ബാധിക്കുക എന്നാണെങ്കിൽ കച്ചവടക്കാർ ഇത്രയധികം ബഹളമുണ്ടാക്കേണ്ട ആവശ്യമില്ല. ഇതിനു ഇപ്പോൾ ബഹളങ്ങളും പ്രക്ഷോഭണങ്ങളും ഉണ്ടാക്കിക്കൊണ്ടിരിക്കുന്നതു് കച്ചവടക്കാരാണു്. എന്നാൽ ഏറ്റവുമധികം കച്ചവടക്കാരിൽ ഏറ്റവും പ്രധാനിയായ ഒരാൾ ഈ ബില്ലിന്റെ Schedule വായിച്ചപ്പോൾ അതിൽ പറയുന്ന വിധത്തിലുള്ള സാധനങ്ങൾ ഒഴിവാക്കുകയാണെങ്കിൽ ഈ ബിൽ പാസ്സാക്കുന്നതുകൊണ്ടു യാതൊരു ദോഷവുമില്ലെന്നു അഭിപ്രായപ്പെടുകയുണ്ടായിട്ടുണ്ട്. കച്ചവടക്കാരിൽ ഏറ്റവും പ്രധാനിയായ ഒരാൾ, ഈ സെയിൽസ് ടാക്സിനെ എതിർക്കണമെന്നു

*Speech not corrected by the Hon'ble Member.

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ആദ്യംതന്നെ അഭിപ്രായപ്പെട്ട ഒരാൾ ഇതിന്റെ Schedule കണ്ടപ്പോൾ വളരെ തൃപ്തനാകുകയാണുണ്ടായതു്. മലവകസാധനങ്ങൾ, കുരുമുളകു്, ചുക്കു് മുതലായ സാധനങ്ങൾ ഒഴിവാക്കണമെന്നു കച്ചവടക്കാരുടെ ഒരു ലഘുലേഖ സെലക്ടു് കമ്മിറ്റിയുടെ മുമ്പാകെ വന്നു. അതിനെ സംബന്ധിച്ചു് യാതൊരു വ്യത്യാസവും ചെയ്യേണ്ടതില്ലെന്നാണു് കമ്മിറ്റി ഒരേ ഒരു അഭിപ്രായമായി പറഞ്ഞിട്ടുള്ളതു്. സെയിൽസു് ടാക്സു് ഇവിടെ നടപ്പാക്കിയാൽ നമ്മുടെ വ്യവസായങ്ങളെല്ലാം മറ്റു രാജ്യങ്ങളിലേക്കു പോകുമെന്നു കൊച്ചിരാജ്യത്തോടു് സ്നേഹിച്ചു് മുതല കണ്ണുനീർ പൊഴിക്കുന്ന ചിലർ ഭയപ്പെട്ട കാണുന്നുണ്ടു്. തിരുവിതാംകൂറിൽ ആദായനികുതിയില്ലാതിരുന്ന കാലത്തു കൊച്ചിരാജ്യത്തു് ആദായനികുതി ഏർപ്പെടുത്തിയപ്പോൾ കൊച്ചിരാജ്യത്തിലെ വ്യവസായങ്ങളെല്ലാം തിരുവിതാംകൂറിലേക്കു പോകുമെന്നു് അന്നത്തെ മട്ടാഞ്ചേരി പ്രതിനിധി ഈ നിയമസഭയെ ഭയപ്പെടുത്തുകയുണ്ടായി. എങ്കിലും നമ്മുടെ വ്യവസായങ്ങൾ ആ കാലത്തും ഇവിടെനിന്നു പോകാതെ ഇവിടെതന്നെ നിലനിന്നു. സെയിൽസ് ടാക്സു് കൊണ്ടുവരുന്നതായാൽ ഇപ്പോഴുള്ള നമ്മുടെ വ്യവസായങ്ങളെല്ലാം തിരുവിതാംകൂറിലേക്കൊ മറ്റു രാജ്യങ്ങളിലേക്കൊ പോകുമെന്നാണു്. അതുപോലെ ചിലർ ഭയപ്പെടുന്നതു അതൊരിക്കലും ഉണ്ടാകയില്ലെന്നു് ആദായനികുതി ഇവിടെ നടപ്പാക്കിയതിനുശേഷം ഉണ്ടായ സംഗതികൾകൊണ്ടുതന്നെ നമുക്കു മനസ്സിലാക്കുവാൻ സാധിക്കും. സാധുജനങ്ങളെ ബാധിക്കുന്ന സംഗതികളെല്ലാം ഇതിൽനിന്നു ഒഴിവാക്കീട്ടുണ്ടു്. എന്നുമാത്രമല്ല, നമ്മുടെ രാജ്യത്തുനിന്നു പുറത്തേക്കു പോകുന്ന സാധനങ്ങളിൽനിന്നാണു് കായ്മമായ സംഖ്യ നമുക്കു കിട്ടാവുള്ളതു്. യുദ്ധാനന്തരസംവിധാനപദ്ധതികൾക്കും അതുപോലുള്ള പലേ പദ്ധതികൾക്കും പണം പോരാതെ വിഷമിക്കുന്ന ഒരു കാലഘട്ടമാണിതു്, എന്നുമാത്രമല്ല എന്റെ ബഡ്ജറവപ്രസംഗത്തിൽ ഞാൻ പ്രസ്താവിച്ചതുപോലെ ബഡ്ജറിൽ വരവിനങ്ങളേക്കാൾ ചിലവിനങ്ങൾ കൂടുതലായി വരുന്നതുകൊണ്ടാണു് സപ്ലിമെണ്ടറി ഗ്രാന്റായി കൂടുതൽ പണം നമ്മുടെ ഗവമ്മെണ്ടു് ആവശ്യപ്പെടുന്നതു്. പണമില്ലാതെ വരുമ്പോൾ കടം വാങ്ങുന്ന ഏർപ്പാടുമാത്രം പോരാ, പണമുണ്ടാക്കുവാനുള്ള ഏർപ്പാടു് ഏതു വിധത്തിലും കണ്ടുപിടിക്കണം എന്നുള്ള നിശ്ചയത്തിന്മേൽ കൊണ്ടുവന്നിട്ടുള്ള ഒരു ഏർപ്പാടാണു് ഈ സെയിൽസു് ടാക്സു്. ഓരോ ഇനങ്ങളും ഓരോ വിഭാഗത്തിനുവേണ്ടി പുറത്തു തള്ളിവിടുകയാണെങ്കിൽ ഇങ്ങിനെയുള്ള ഒരു സെയിൽസു് ടാക്സു് ഇവിടെ കൊണ്ടുവരുന്നതുകൊണ്ടു് പ്രയോജനമുണ്ടാകുമെന്നു എനിക്കു തോന്നുന്നില്ല. കായ്മങ്ങൾ നടത്തുന്നതിനു സാധുക്കളെ ദ്രോഹിക്കാത്ത തരത്തിൽ, വ്യവസായങ്ങൾ നാട്ടിൽനിന്നു പോകാത്ത തരത്തിൽ പണം സമ്പാദിക്കുവാൻ ഏറ്റവും എളുപ്പമായ മാർഗ്ഗം ഇതാണു്. ഈ സെയിൽസു് ടാക്സു് മദ്രാസ്സു് സംസ്ഥാനത്തു് ഏർപ്പെടുത്തിയതു് അവിടെ ചില സ്ഥലങ്ങളിൽ മദ്യനിരോധനം ഏർപ്പെടുത്തിയതുകൊണ്ടാണെന്നുള്ള സംഗതി നമുക്കറിയാം. അതുപോലെ സെയിൽസു് ടാക്സു് ഇവിടേയും വന്നു് നമുക്കു പണമുണ്ടാകുമ്പോൾ തീച്ചയായും നമ്മുടെ ഗവമ്മെണ്ടും ഒരു താല്പര്യക്കിലെങ്കിലും മദ്യനിരോധനം ഏർപ്പെടുത്തുമെന്നു എനിക്കു വിശ്വാസമുണ്ടു്. മദിരാശിയിൽ സെയിൽസു് ടാക്സിൽനിന്നു ഒഴിവാക്കീട്ടുള്ളതിനേക്കാൾ വളരെ അധികം സാധനങ്ങൾ നാം ഇവിടെ ഒഴിവാക്കീട്ടുണ്ടു്. ഇങ്ങിനെ ഓരോന്നും ഒഴിവാക്കുമ്പോൾ നാം പ്രതീക്ഷിക്കുന്നതു പണം നമുക്കു സിദ്ധിക്കുകയില്ല. എന്നാൽ ചില ഇനങ്ങൾ ഓപ്പോട്ടിൽതന്നെ പ്രത്യേകമായി കാണിച്ചിട്ടുണ്ടു്. നാം ഇതു നടപ്പിൽവരുത്തിയതിനുശേഷം ശരിയായി അതിനെ വാച്ചു ചെയ്തുകൊണ്ടിരിക്കണമെന്നും, വല്ല ഭേദഗതികളും വരുത്തണമെന്നുണ്ടെങ്കിൽ അതു കാലക്രമേണ നമുക്കു കൊണ്ടുവന്നാൽ മതിയെന്നുമാണു് സെലക്ടു് കമ്മിറ്റി തീർച്ചയാക്കീട്ടുള്ളതു്. കുരുമുളകു് മുതലായ സാധനങ്ങളെ ഒഴിവാക്കണമെന്നും തിരുവിതാംകൂറിൽനിന്നു വരുന്ന സാധനങ്ങളായതുകൊണ്ടു് നമ്മുടെ വ്യവസായം നശിച്ചുപോകുമെന്നും പറയുന്നതു ശരിയല്ല. തിരുവിതാംകൂറിൽനിന്നു വരുന്നതിനു വലിയൊരു സംഖ്യ തീരുവയുണ്ടു്. അതു അടച്ചിട്ടുവേണം സാധനം ഇങ്ങോട്ടുവരുവാൻ. കാലതാമസംകൂടാതെ കച്ചവടം നടക്കണമെങ്കിൽ അവരുടെ ചരക്കുകൾ തീച്ചയായും ഇവിടെ വരാതിരിക്കയില്ല. ദക്ഷിണേൻഡ്യയിലെ സൌന്ദര്യറാണിയാണു് കൊച്ചിൻ ഹാർബർ എന്നുണ്ടെങ്കിൽ തീച്ചയായും അടുത്ത രാജ്യങ്ങളിലെ വ്യവസായങ്ങൾ ഇവിടേക്കുതന്നെ പ്രവഹിച്ചുകൊണ്ടിരിക്കും. അതുകൊണ്ടു ഇപ്പോൾ ഒഴിവാക്കീട്ടുള്ള സാധനങ്ങൾ ഒഴികെ ബാക്കിയുള്ളതിനു തല്ക്കാലം സെയിൽസു് ടാക്സു് ഏർപ്പെടുത്താവുന്നതാണു്. അഗ്രിക്കൾച്ചറൽ ഇൻകംടാക്സു് അടുത്ത അവസരത്തിൽതന്നെ കൊണ്ടുവരുമെന്നുള്ള അഡ്വക്കേറ്റു് ജനറൽ അവർകളുടെ അഷ്വറൻസു് പ്രകാരമാണു് അതു് ഇതിൽനിന്നു ഒഴിവാക്കീട്ടുള്ളതു് എന്ന സംഗതി ഈ സഭയെ അറിയിച്ചുകൊണ്ടു് ഞാൻ ഈ ബില്ലിനെ അനുകൂലിക്കുന്നു.

LIBRARY ARCHIVES Kerala Legislative Assembly

മിസ്റ്റർ കെ. ടി. അച്യുതൻ: സർ, ഞാനും ഈ ബില്ലിനെ അനുകൂലിക്കുന്നു. സാധുക്കളെ ഇതു വളരെ കായ്മായി ബാധിക്കുന്ന ഒന്നല്ല എന്നുള്ള നിസ്സാരമായ ഒരുദാഹരണം കൊണ്ടു മനസ്സിലാക്കാം. ഏറ്റവും സാധുവായ ഒരാൾക്ക് ദിവസവും 8 ക. ചിലവിനു വേണമെന്നു വിചാരിക്കുക. എങ്കിലും ഒഴവാക്കീട്ടുള്ള സാധനങ്ങൾ വളരെ നല്ല കായ്ത്തി നുവേണ്ടിയാണെന്നു ആ സാധുവിനു മനസ്സിലാകുമ്പോൾ ഈ 8 ക. യിൽ വെറും പത്തു പൈ മാത്രമാണ് അയാൾ കൊടുക്കേണ്ടിവരുന്നതു. ഒന്നോ രണ്ടോ ഉറപ്പിക്കയുടെ മേൽ കാലണയൊ നാലുപൈയൊ പിരിവുകൊടുക്കുന്ന കായ്ത്തിൽ യാതൊരു തരത്തിലും ആ സാധുക്കളെ ബാധിക്കുന്നില്ല. പ്രാഥമികവിദ്യാഭ്യാസം, ലോവർ സെക്കണ്ടറി വിദ്യാഭ്യാസം, തൊഴിലാളിപ്രശ്നം, കൃഷികവ്യവസ്ഥ, ഉച്ചഭക്ഷണം, യുദ്ധാനന്തരപദ്ധതി ഈ തരം കായ്ങ്ങൾ നമ്മുടെ മുമ്പിൽ ചെയ്യുവാനുള്ളപ്പോൾ ഒരു സാധുവിൽനിന്നു് ഫ 0 പൈയൊ നപൈയൊ ഗവമ്മെണ്ടു് പിരിക്കുവാൻ പോകുന്നു എന്നു പറയുന്നതു് അന്യായമാണെന്നു പറഞ്ഞാൽ അതു തെറ്റല്ലെ? കച്ചവടം ഇവിടെനിന്നു മാറിപ്പോകുമെന്ന കായ്ത്തിൽ ഗവമ്മെണ്ടു് വേണ്ടപോലെ നോക്കുമെന്നു് പറയുന്നുണ്ടു്. ബോമ്പെയിൽനിന്നും മദിരാശിയിൽനിന്നും മറ്റും വരുന്ന സാധനങ്ങൾക്ക് നാം നികുതി കൊടുക്കുന്നുണ്ടു്. നേരെമറിച്ചു് നമ്മുടെ സാധനങ്ങൾക്ക് അവർ നികുതി തരുന്നില്ല. അപ്പോൾ ഇവിടെനിന്നു പോകുന്ന സാധനങ്ങൾക്ക് ന്യായമായ വില കൊടുക്കുവാൻ മറ്റു പ്രദേശങ്ങൾക്കു് വിഷമം ഉണ്ടാകയില്ല. ഇപ്പോഴത്തേക്കാൾ കൂടുതൽ സാധനങ്ങൾ ഇവിടെ ശേഖരിക്കുവാൻ നോക്കണം. ഈ നിയമം ഇവിടെ നടപ്പായാൽ ഇവിടത്തെ കച്ചവടം അയൽരാജ്യങ്ങളിലേക്ക് മാറുമെന്നു പറയുന്നതു് വെറുതെയാണെന്നുമാത്രമാണു് എനിക്കു ഇതിനെ എതിർക്കുന്ന ആളുകളോടു് പറയുവാനുള്ളതു്. തിരുവിതാംകൂറിൽതന്നെ ഈ നിയമം വരുവാൻ പോകുന്നുണ്ടു്. ആനമലറോഡു വന്നുകഴിഞ്ഞാൽ വളരെ വ്യവസ്തായം ഇവിടെ നടക്കും. അതുകൊണ്ടു് ഈ കായ്ത്തിൽ വെറുതെ വെകിളി എടുക്കാതെ നിസ്സാരകായ്ങ്ങൾക്കായി വാദിക്കാതെ കണ്ടു് ഇതിനെ നിങ്ങളെല്ലാവരും അനുകൂലിക്കണമെന്നു് ഞാൻ പ്രത്യേകം അഭ്യർത്ഥിച്ചുകൊള്ളുന്നു.

*മിസ്റ്റർ പി. നാരായണമേനോൻ: സർ, ഞാനും ഈ ബില്ലിനെ അനുകൂലിക്കുന്നു. സെലക്ററ കമ്മിറ്റിയുടെ ആലോചനക്കു വിട്ടുകൊടുത്തതു് ഈ ബില്ലിന്റെ തത്വങ്ങളെ അംഗീകരിച്ചുകൊണ്ടാണു്. അങ്ങിനെ ഇതിന്റെ തത്വങ്ങളെ അംഗീകരിച്ചതു് ആലോചനക്കുടാതെകണ്ടല്ല. ഈ ബിൽ വായിച്ചപ്പോൾ ചിലരുടെ ദൃഷ്ടിയിൽ ഒന്നാമതായി പ്രത്യക്ഷപ്പെട്ടതു് തിരുവിതാംകൂറാണു്. നമ്മുടെ വാണിജ്യവും വ്യവസായവുമെല്ലാം തിരുവിതാംകൂറിലേക്കു കടക്കുമെന്നുള്ള ഒരു ഭയം അവരിൽ ചിലക്കുണ്ടായി. അവരുടെ ദൃഷ്ടി സപല്ലമൊന്നു വടക്കോട്ടു തിരിഞ്ഞിരിന്നുവെങ്കിൽ അതൊരു വെറും മിത്ഥ്യാഭീതിയാണെന്നു ആരോടും ആലോചിക്കാതെതന്നെ അവക്കു മനസ്സിലാകും. ബ്രിട്ടീഷ് കൊച്ചിയും ബ്രിട്ടീഷ് മലബാറും തിരുവിതാംകൂർപോലെതന്നെ നമ്മുടെ രാജ്യത്തോടു തൊട്ടകിടക്കുന്ന പ്രദേശങ്ങളാണു്. അവിടെ ഈ ബിൽ ആക്കായിട്ടു ഏതാണ്ടു് എട്ടു പത്തു കൊല്ലം കഴിഞ്ഞിട്ടുണ്ടു്. ഇവിടെ ഈ ബിൽ ആക്കുകുന്നപക്ഷം ഇവിടത്തെ കച്ചവടവും വ്യവസായവും ഇതു നിയമമായി വരാത്ത തിരുവിതാംകൂറിലേക്കു കടന്നുപോകുമെന്നുള്ള വിചാരം യഥാർത്ഥത്തിൽ സംഭവ്യമാണെന്നുണ്ടെങ്കിൽ നിശ്ചയമായും ബ്രിട്ടീഷ് മലബാറിലുള്ള കച്ചവടവും വ്യവസായവും ഈ ബിൽ അവിടെ നടപ്പാക്കിയതോടുകൂടി കൊച്ചിയിലേക്കു വരേണ്ടതായിരുന്നു.

സബ്ഡായ് എസ്സ്. കോഡർ: വന്നിട്ടുണ്ടു്.

മിസ്റ്റർ പി. നാരായണമേനോൻ: ഇല്ല; ഒന്നും വന്നിട്ടില്ല. അതൊന്നും വന്നുകാണാത്തതുകൊണ്ടു് ഇവിടെ ഈ ബിൽ പാസാകുന്നപക്ഷം ഇവിടത്തെ വാണിജ്യവും വ്യവസായവും മറ്റുപ്രദേശങ്ങളിലേക്കു പോകുമെന്നു വിചാരിക്കേണ്ട കായ്മില്ല. എന്നുമാത്രമല്ല മദിരാശിസംസ്ഥാനത്തോടു ചേർന്നുകിടക്കുന്ന കൊച്ചി അതിലെ ഒരംശമായി കണക്കാക്കിയാൽ പോരായ്കയില്ല. മദിരാശിസംസ്ഥാനത്തിൽ ഈ നിയമം അംഗീകരിച്ചുകഴിഞ്ഞിട്ടു് കുറെ അധികം കാലമായി. അവിടെ ആക്ഷം ഇതുകൊണ്ടു് ആവലാതിയും നഷ്ടവും സംഭവിച്ചതായി കേൾക്കുന്നില്ല. അതുകൊണ്ടു് ഈ നിയമം സ്വീകരിക്കുന്നപക്ഷം നമുക്കും യാതൊരു വിഷമവും ഉണ്ടാകാനില്ല. എന്നുമാത്രമല്ല കേരള ഫെഡറേഷനെസംബന്ധിച്ചും മറ്റും ആലോചന നടക്കുന്ന ഈ അവസരത്തിൽ ബ്രിട്ടീഷ് മലബാറിൽ നടപ്പുള്ള നിയമങ്ങൾ എ

*Speech not corrected by the Hon'ble Member.

LIBRARY ARCHIVES Kerala Legislative Assembly

ല്ലാം, നിവൃത്തിയുള്ളിടത്തോളം ഈ ഗവണ്മെണ്ടും പകത്തി ഇവിടത്തേയും അവിടത്തേയും ഭരണസമ്പ്രദായത്തിൽ ഒരു ഐകരൂപ്യം വരുത്തുന്നതിനു ഉത്സാഹിക്കുന്നതു നന്നായിരിക്കും. സെലക്ററ കമ്മറിക്കു സമയം പോരായ്കൊണ്ടു് ചിലചില്ലറ ന്യൂനതകൾ ഈ ബില്ലിൽ സംഭവിച്ചിട്ടുണ്ടെങ്കിലും ഇതു് സ്വീകാര്യമാണെന്നതന്നെയാണു് എന്റെ അഭിപ്രായം. അതുകൊണ്ടു് ഞാൻ ഈ ബില്ലിനെ ബലമായി പിന്താങ്ങുന്നു.

മിസ്റ്റർ പി. എ. മുഹമ്മദ് അഷ്റഫ്: സർ, ഈ ബില്ലിനെ പിന്താങ്ങിക്കൊണ്ടു് എന്റെ സ്നേഹിതന്മാർ പലരും ഇവിടെ ഉന്നയിച്ച കാരണങ്ങളെക്കൊണ്ടു് രണ്ടുവാക്കു പറയുവാൻ ഞാൻ നിർബ്ബന്ധിതനായിരിക്കുന്നു. വാസ്തവത്തിൽ ഈ ബിൽ സാധുക്കളെ ബാധിക്കുകയില്ലെന്നു പറയുന്നതിൽ ഞാൻ യാതൊരു അടിസ്ഥാനവും കാണുന്നില്ല. തീച്ചയായിട്ടും ഈ ബിൽ സാധു ഉപഭോക്താക്കളെയാണു് കൂടുതൽ ബാധിക്കുന്നതു്. എന്റെ സ്നേഹിതൻ മിസ്റ്റർ അച്യുതൻ പറഞ്ഞു, അഞ്ചുരൂപാ ഒരു ദിവസത്തിൽ ചിലവുചെയ്യുന്ന ഒരു സാധുവിനു ഇതിൽനിന്നു ഒഴിവാക്കിയിരിക്കുന്ന സാമാനങ്ങൾ കഴിച്ചാൽ അധികമൊന്നും വാങ്ങുവാനുണ്ടാകയില്ല. അതുകൊണ്ടു് ടാക്സ് അധികം കൊടുക്കേണ്ടി വരുകയില്ല എന്നു്. അങ്ങിനെ പറയുന്നതിൽ ഒരടിസ്ഥാനവും ഞാൻ കാണുന്നില്ല. ഒരാൾ കൊടുക്കുന്നതല്ല നാം ഇവിടെ നോക്കേണ്ടതു്. രാജ്യത്തെ പൊതുജനങ്ങളിൽ കൂടുതൽ ആരാണു് ഈ ടാക്സ് കൊടുക്കേണ്ടിവരുന്നതു് എന്നാണു് നോക്കേണ്ടതു്. ഒരു സമുദായമൊ ഒരു സമൂഹമൊ മാത്രം ഇതിൽനിന്നു ഒഴിവായേക്കാമെന്നുള്ളതുകൊണ്ടു് കാര്യമില്ല. സാധുക്കളിൽ അധികംപേരും ഈ ടാക്സ് കൊടുക്കേണ്ടതായി വരുമെന്നുള്ളതിനു യാതൊരു തർക്കവുമില്ല. പിന്നെ ഗവണ്മെണ്ടിനു പണമുണ്ടാകണം; അവരുടെ പോസ്റ്റാഫീസ് സ്കീം മുതലായവ നടത്തുവാൻ പണംവേണം; അതുകൊണ്ടു് ഈ ടാക്സ് പിരിക്കണം എന്നു പ്രജാമണ്ഡലം നേതാവു പറഞ്ഞതു് ഒരിക്കലും ശരിയല്ല. ഗവണ്മെണ്ടിനുപണം വേണമെങ്കിൽ ഇതുകൂടാതെ പല പോംവഴികളുമുണ്ടു്. ഏതൊരു പരിഷ്കൃത ഗവണ്മെണ്ടും ഈ സെയിൽസ്ടാക്സ് പിരിക്കുന്നതു് അങ്ങേ അറ്റത്തെ കയ്യായിട്ടാണു്. ഇട്ടീഷിലുണ്ടു്. അതുകൊണ്ടു് ഇവിടെയും വേണമെന്നുപറയുന്നതിൽ അർത്ഥമില്ല. അവിടെ പ്രൊഹിബിഷൻകാരണം സാധുജനങ്ങൾ കുടിക്കുന്ന മദ്യത്തിൽനിന്നു് ഗവണ്മെണ്ടിലേക്കു കിട്ടുന്ന ആദായം നഷ്ടപ്പെടുന്നതുകൊണ്ടു് അതിനെ പരിഹരിക്കുവാൻമാത്രമാണു ഈ നികുതി അവിടെ നടപ്പാക്കീട്ടുള്ളതു്.

Mr. P. Govinda Menon *(Ernakulam):* What about the League Government of Bengal?

Mr. P. A. Muhamed Ashroff *(Cranganur):* I am not supporting the League Government of Bengal. My observation is that this tax will mostly affect the poor classes.

Mr. P. Govinda Menon *(Ernakulam):* That is conceded.

Mr. P. A. Muhamed Ashroff *(Cranganur):* There are so many other means for the Government to get money. They should tap those sources first than adopt this measure.

Mr. P. Govinda Menon *(Ernakulam):* Would you suggest one?

Mr. P. A. Muhamed Ashroff *(Cranganur):* Agricultural Income-tax. Why can't we introduce that?

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* Then, will not the cultivators go to Travancore for cultivation?

Mr. P. A. Muhamed Ashroff *(Cranganur):* My Hon'ble Friend Mr. Ayyappan who is an experienced and practical politician is supporting the Bill simply because the Government wants money. This is not certainly a Government of the people, by the people and for the people and they defeated the Government on that ground some days back and did not grant money for them for their maintenance, while at the same time they support this Bill for giving money to that Government.

Mr. Puthur Achutha Menon *(Kattur):* We support it because it is an equitable tax according to us.

Mr. P. A. Muhamed Ashroff *(Cranganur):* But the tax-payers will be the poorer classes while you are not.

Mr. Puthur Achutha Menon *(Kattur):* It will not effect them much.

Mr. P. A. Muhamed Ashroff *(Cranganur):* It will certainly affect them. People with experience in British India have told me that this is a troublesome tax and this should be opposed by all means because it will certainly affect the poor.

LIBRARY ARCHIVES Kerala Legislative Assembly

Mr. P. Govinda Menon *(Ernakulam):* Is there any tax which will please the people ?

Mr. P. A. Muhamed Ashroff *(Cranganur):* Yes. Sometimes they will voluntarily give to the Government. Simply because it is a measure brought by the Congress Government is not an argument to bring the sales tax here also.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* This will affect the rich people more.

Mr. President: I will ask the Hon'ble Members to allow the Hon'ble Member to proceed.

Mr. P. A. Muhamed Ashroff *(Cranganur):* It is the duty of the Government when a legislation is introduced in the State especially when it will affect the poorer classes, to give sufficient time and to seek for their opinion. Therefore, my suggestion is, give sufficient time to the people to express their opinion before deciding whether they should support the Bill or they should oppose it.

One more suggestion I have to make and that is regarding the taxation af agricultural produce. According to the Bill presented to this Hon'ble House by the Select Committee, cocoanuts and other agricultural produce will be taxed and I am afraid that it is a very bad policy of the Government to apply this tax to the agricultural produce, because it will very much affect the poor agriculturists also.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* Consumers where ?

Mr. P. A. Muhamed Ashroff *(Cranganur):* Here.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* That is excluded.

Mr. P. A. Muhamed Ashroff *(Cranganur):* I shall give an example if my Hon'ble Friend wants it.

Mr. President: I must ask the Hon'ble Member to continue his speech.

Mr. P. A. Muhamed Ashroff *(Cranganur):* My suggestion is that this House should not be very hasty in getting this legislation passed here. They should give mature consideration and then only they should support this Bill. That is my only suggestion.

Mr. Parambi Lonappen *(Irinjalakkuda):* Sir, I would not have taken part in this discussion but for some misunderstanding that has arisen in the minds of some of the Members that the Nationalist Party is not for supporting this Bill.

Mr. Puthur Achutha Menon *(Kattur):* Nobody said that.

Mr. Parambi Lonappen *(Irinjalakkuda):* Hon'ble Member Mr. Ayyappan seems to have remarked like that.

Rao Sahib K. Ayyappan *(Ezhuvas-Kanayannur):* I did not say so. It is only an imagination.

Mr. Parambi Lonappen *(Irinjalakkuda):* If it is not so, well and good. Anyway, from certain observations made by some of the members on this side, my friend Mr. Ayyappan seems to have thought that we were opposing this Bill. On the contrary, I may tell the House that when we found that we are going to have a deficit budget and when we were going to be confronted with a huge deficit and shortage for nation-building purposes, we agreed immediately to support this Bill, because Government wanted money for many useful purposes for the villager and villages amenities. Therefore, if there is any misapprehension on accouut of certain observations or criticisms levelled by some of the Hon'ble Members belonging to the Nationalist Party, you should not go with the impression that we are opposing the Bill. On the contrary we are supporting the Bill. As a matter of fact, the observations are levelled with a view to see whether improvements can be effected upon the Bill and in the working of the Bill and not with the purpose of dropping the Bill altogether. It has been suspected or it has been observed that this Bill will not affect the consumer, the poor consumer. I submit that this Bill will affect both the rich and the poor consumers. No doubt about that. But the burden will be greatly upon the rich consumer than upon the poor consumer (*hear, hear*). As a matter of fact even without the schedule attached after the Select Committee Report I was trying to explain to some of the Hon'ble Members that this Bill as it is without the Select Committee's report will be affecting more the richer classes than the poorer classes. After all, the poor man goes to the market or to the shop to purchase a few annas worth of rice or two or three pies worth of kerosene and two or three pies worth of chillies and a few annas worth of clothes; nothing more than that. Therefore, I am sure, if the Bill as it is originally introduced is passed in this House

LIBRARY ARCHIVES Kerala Legislative Assembly

it will not have affected the poor consumer much, but would have affected the rich consumer more. I was only sorry that the Select Committee has excluded so many items from taxation, for example, there are many items which are included in the schedule which are intended for the luxury of the richer people, take for example sugar. The poor man does not require so much of sugar.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* Days have changed, Sir.

Mr. Parambi Lonappen *(Irinjalakkuda):* There are ever so many items. I do not want to criticise the actions or the recommendations of the Select Committee. I would therefore suggest to the House to vote unanimously for the Bill.

Mr. M. Sivarama Menon *(Advocate-General:)*: Sir, On behalf of the Government, I wish to answer some of the main objections raised to the adoption of this Bill in view of the discordant notes struck by some of the Hon'ble Members. But before doing so, I may be premitted, Sir, to ackowledge on behalf of Government the great readiness and willingness displayed by the Hon'ble Members of the Select Committee in co-operating with me in trying to see that the Report was finished in time as directed by the Council and in this I think I will be failing in my duty if I don't mention that I received full co-operation from the representatives of all the different Parties in this Council under whose mandates the several Members worked, excepting perhaps Mr. Kumaran Ezhuthassan who also extended his co-operation along with the other Members to get through the work in time which enabled us to come before this House with this Select Committee Report today.

Now, coming to the Bill itself, it was first pointed out by the Hon'ble Member for Jews, Mr. Koder, that this an objectionable tax. But I must say that the sales-tax has come to stay in the world. Countries which are more advanced, economically, industrially and commercially, have introduced this tax in Europe and in the rest of the globe. In India itself several of the Provinces, *viz.*, Madras, Bengal and the Punjab have followed. The reason behind this is that it is an inevitable form of taxation. Formerly a tax imposed will hit only a particular class of people and those who are not hit at all would always have a pleasure of seeing that the other classes are taxed. I remember a correct statement made in days of yore by one great man—I forgot his name—when we come to matters of taxation; it is "to tax and to please is no more than to love and be wise is not given to man". If that great orator had only in his mind the fact that any one day a scheme of taxation like the sales-tax had to be evolved, certainly he would not have given expression to that idea, because this is a tax which pleases everybody. The point is that every person who wants to purchase things is subject to this measure of taxation and as observed by the ex-Minister the degree of taxation depends upon the extent of one's needs, and therefore it is, as observed by the Deputy Leader of the Prajamandal Party a very equitable tax. Such a tax can, I think, stand the test of civilised standards of taxation when everybody is expected to contribute to the coffers of the State for the common interests of the community. It was also pointed out that the poor consumer will have to pay six pies more. I think that a very incorrect statement to make. In the first place we levy only one per cent tax which works out at 2 pies. As a matter of fact, if my Hon'ble friend thought that each time the tax is paid, that is not correct. If I purchase an article for a rupee I pay a tax of 2 pies and if my Hon'ble friend purchases it from me, he will have to reimburse what is passed on and that is only 2 pies. But when there is competition, the merchants will have to write off a margin out of the profits; they will not be able to pass it on to the consumer, that of course is indirectly a hit upon the merchant class in that respect. Therefore taking the view that there is every chance of this tax being borne by the princely merchant class by writing off, if not whole, at least a portion from their profit, I do not think that in any way affects the poorer classee much. It is only the person who has that gives and not a person who has not.

Then, coming to the other point raised by the Hon'ble Member, Dr. S. S. Rao that a country's interest lies in the extent of its imports and exports, that point has certainly been kept in view by the Government of Cochin who have got vital interests in this port and even though partners, Cochin is more vitally interested in the development and prosperity of this port than any other of the Governments who are partners in this, because it is under our very nose and our very existence, our own prosperity, is linked up with the prospects of the harbour. From that statement it would appear that if a large quantity of goods pass through the Cochin port, the sales-tax also will voluminously mount up. No sales tax is to be levied on sales of certain goods that pass through the port. So long as the port remains the emporium of the passage of goods we are not going to get any increase of tax on account of that. The point is to levy the

LIBRARY ARCHIVES Kerala Legislative Assembly

tax at the time of the sale, the goods must be present in Cochin. It is only then that we can realise the tax. Therefore the imports and exports will not be affected by the imposition of this sales-tax.

In that connection I am reminded of the point raised by the Hon'ble Member for Commerce that we have got a definition of sale in this Act which is peculiar. That is in relation to Explanation II to section (2) which says that notwithstanding anything to the contrary in the Cochin Sale of Goods Act, the sale of any goods which are actually in Cochin at the time when the contract for sale is made in respect therefore, shall, wherever the said contract sale is made, be deemed for the purposes of this Act to have taken place in Cochin. I can very well appreciate the anxiety of the Hon'ble Member because there are large distributors who have to leave our shores to find fields and pastures new for carrying on their business. I can very well understand that. But the reply of the Government is that if the provinces of Bengal and Bombay have not adopted this definition, they are much larger than the tiny Cochin State and therefore they have adopted that definition in their Bills. So far as Bengal is concerned in their explanation it is said that notwithstanding the question of Sale of Goods Act, if at the time the contract of sale is entered into the goods are within the Province of Bengal, those goods will be subject to taxation even if the contract of sale takes place in the Punjab. Similar is the case in Bombay. Therefore, there is greater necessity for Cochin to copy the same of those Provincial Governments. There is another aspect. If a Mattancheri merchant gets into a cotia, goes three miles into the sea and signs a contract on board that vessel to supply so many tons of oil and then contend that he entered into the contract beyond the territorial waters of Cochin and so the sales tax cannot be realised from him, can that position be sustained? Can anybody be allowed to escape the tax in that manner? Therefore, what I say is there should be provision to prevent such evasions as far as possible. Even with all these provisions, I apprehend that this tax will be very cleverly evaded. The ingenuity of man is such that he may find out ways of evading laws. That position will be watched and drawbacks rectified by amendments at the proper time if ever this Bill comes into force as an Act.

I shall now proceed to say that the one point which prevailed upon the members of the Select Committee to tentatively accept the taxation at different points as in Madras is that here is a likelihood of this tax being passed over to the ultimate consumer and even if it passes over those Hon'ble Members who are the accredited representatives of this class of persons were prepared to bear this tax; the non-official members of the select committee said it is a bearable tax, we are prepared for it, the Member of the Prajamandal party said we are prepared to support this tax. So who is the gentleman who is to be hit most. If my needs are only Rs. 100 I have to pay tax only on that amount where as if Mr. Koder's needs are for Rs. 1000, of course, he has to pay for that amount and this bill provides for that. It is only those who can afford to pay are made to pay. I am very thankful to Hon'ble Members for enabling the Government to have a trail of this bill.

Then coming to the question of inspection under clause 26 adverted to by the Hon'ble Member for Commerce, in deference to the opinion of the mercantile community that according to them a power vestd in the officers to conduct the search of premises will affect their self-respect, Government said, we are prepared to concede that position, and have only asked for a power of inspection. That power of search if it had remained in the Bill would have been of immence help to the Department. I can only site by way of illustration an example of one merchant keeping double set of accounts which may be written up and when an officer goes there to inspect, if he has no power of search he will have to simply go through the accounts placed before and come away.

Mr. M. O. Thomakutty *(Commerce and Industry)* : My suggestion was that the man who is authorised must be one not below the rank of the Income-tax Officer.

Mr. M. Sivarama Menon (*Advocate-General*): Government agreed to take away the power of search in deference to the wishes of the marcnentile community. That shows we are trying to accommodate popular opinion in this Bill and do things in the proper fashion so that Government may be supported through thick and thin in the measures of taxation. His further point is only that an officer not below the rank of an Income-tax Officer should be the person authorised to conduct the inspection. The very purpose of the clause is to conduct an inspection of the accounts and an inspection means a capacity to understand what is written, a capacity to verify the cash balance with the entries as seen in the cash book and such other matters. A peon or some-body else who is not well-versed with

LIBRARY ARCHIVES Kerala Legislative Assembly

these matters cannot be expected to be able to discharge these functions. I have already given an assurance in the presence of the Incometax Commissioner that only responsible officers will be sent out on this work of inspection. It is only then that it will be useful for the working of the department.

It was pointed out by the Hon'ble Member for Cranganur that poor people are sure to suffer on account of this Bill. That argument has already been answered. Even if they have to suffer nobody need be over-anxious about the poor.

Then coming to the main question of hill produce which I wanted to reserve to the last so that it may be in your minds when the amendment is considered, I have conducted some confidential enquiries in the matter. Those points were threshed out between me and the Income-tax Commissioner and most of the points were brought to the notice of the Select Committee. I must say that in order that my merchant friends may not think that the Government do not know where the shoe pinches. Forward contracts in oil have been done away with by a special legislation. What is it that takes place in Mattancheri? Is there no trafficing in pepper I ask? Are there not sattas, speculative contracts going on? The definition of turnover must burn their hearts I know, because it takes in such speculative contracts also. Therefore, some merchants fear that even for those goods that do not pass through their hands, contracts entered into without any intention of taking delivery of the goods they will have to pay because it will be a profit and cannot but be entered in the account books. In civil courts in the case of such speculative contracts no recovery can be had if it can be proved that there was no intention of fulfilling the contract. But the definition in the present Bill of turnover will take in even such cases where there is no intention of taking delivery but simply to pay the difference in the price. It is practically on immoral way of entering into contracts because it tends to make a man suddenly rich and to make a rich man suddenly poor and that has got its own bad and deleterious effects upon the market as a whole in those particular commodities because it is admitted on all hands that 90 per cent of the hill produce come from Travancore. Are we getting sufficient Income-tax upon those hill produces. A gentleman in Alwaye enters into a contract at Alwaye and we do not get any income-tax upon that. Similary a Muvattupuzha merchant enters into a contract the turnover of which is over 10000 but we don't get any income-tax. Of course there are a few cases in Mattancheri where a man with a small turnover may have to purchase goods from these stray merchants but the actual amount under the Sales Tax is much more in the estimate of the Government in comparision with the small incometax that we are realising. As a matter of fact therefore the Government have considered the question of hill produce merchants with great concern and because they were not satisfied they were not inclined to grant the concession of half per cent to hill produce growers. Bt if as a matter of fact the entire structure upon which Government have built their opinion with regard to hill produce calls for any change subsequently that can be considered in proper time. Here is the responsible statement already made by the Diwan President, Government are equally anxious if not more to safeguard the interest of the State and several members, I am glad, have taken note of that, and that position will be zealously watched in order to protect the interest of the State and if we have erred, I can assure the Hon'ble Members, it can only be an error of judgment. Because from the divergent facts placed before us by the Chamber of Commerce who are interested in trade and some persons who are not in the trade at all and some others who have not bestowed much thought upon these matters and gave out their opinions at the first flush without any sort of thinking, we came to this conclusion. We entered into this discussion in the Select Committee with a free mind and if there is anything wrong it is only an error of judgment which is only removeable by the Government. We have taken the power to amend the schedule as Government pleases. Under the circumstances I can in no way think that this Bill is in any way going to affect the vital interests of the State.

With regard to the question of coir you will find there is one factor which was not really present in my mind at the time of the Select Committee, that is that superior variety of coir yarn which is made use of for the purpose of making coir mats really comes from Travancore and we have to pay customs at Arukutty. This point was brought to our notice by the Secretary of the Chamber of Commerce in the Diwan's House yesterday when the deputation came and it was also pointed out that the quantity of coir yarn has gone down by about 40 per cent because everybody wants good coir yarn and therefore if we impose Sales Tax on coir yarn it will go down yet. And it will affect the coir mat industry which is about to be begun in this State. There is already a factory started in Vytilla engaged in the manufacture of coir matting and there they are also trying to make matting from jute and there is a move among the coir merchants in

LIBRARY ARCHIVES Kerala Legislative Assembly

Cochin to foster this industry which is now practically a monopoly of Alleppey. Therefore Government do not wish to impose any tax on cocoanut husks or fibre or yarn. These are sought to be exempted on account of the very valuable information which was furnished to us and the amendment in this behalf is the result of the discussion that we had yesterday. We are indulging in theoretical arguments and we have all to give an allowance for the practical working of this nature which alone will convince either side as to who is wrong, either the Government have gone wrong or their point is sound and justified upon experience. It was pointed out to me that the imposition of this tax will have a tendency to raise the price of cocoanut oil in Alleppey. Because there is more competition in Alleppey than in Cochin, the Alleppey merchants and Travancore merchants stand to gain by the slight rise in the price of cocoant oil and they will be tempted to raise the price there. During the time of war when the Excess Profits Tax was in force, the hill produce market showed a tendency to shift, but it has now come back. Let me hope that in spite of the Sales Tax Cochin will retain her position as the emporium for the hill products and if it turns against our hopes, Government will come to the succour at the proper moment.

Therefore, I think that the objections raised by some of the Hon'ble Members do not in any way militage against the acceptance of this Bill at this stage by the House and on the assurance held out by the Government that the position will be streneously and seriously watched.

Motion put and carried

Clauses 2 to 7 put and carried

Mr. M. Sivarama Menon *(Advocate-General):* Sir, I beg to move that in clause 8 of the Bill for the word "Government" the words "The Sales Tax Officer" be substituted. Clause 8 refers to licensing. It reads: "Government may, on application and on payment of such fee as may be prescribed in that behalf, license any person under this section.....". It is not really possible for the Government to undertake this work. Then upon all applications the Secretariat will have to pass orders. Therefore it is proposed to substitute "Sales Tax Officer" for the word "Government". It is only for the purpose of facilitating a more convenient despatch of work.

Mr. B. V. K. Menon *(Secretary to Government):* I second it.

Motion put and carried

Clause 8, as amended, and clause 9 put and carried

Mr. M. Sivarama Menon *(Advocate-General):* Sir, I move that sub-clause (6) of clause 10 shall be re-numbered as sub-clause (7) and the following shall be inserted as sub-clause (6):—

"(6) The Sales Tax Officer may, until final assessment is made under section 11, revise from time to time, the tax provisionally fixed under this section."

This amendment is introduced with a view to see that no merchant is unnecessarily hit by the provision that the accounts of the previous years can be relied upon by the Sales Tax Officer for the purpose of making a provisional assessment. It may be that in the current year he may not be doing as much business as he was doing in the previous year. Therefore there shou'd be provision to revise the assessment when the merchant is able to show that his turnover for one month is much less than the provisional assessment. In that case the amount can be reduced and the merchant can get refund of the amount. This point was raised in the discussion the other day and therefore the Government have tabled this amendment.

Mr. B. V. K. Menon *(Secretary to Government):* I second it.

Motion put and carried

Clause 10 as amended put and carried

Clauses 11 to 25 put and carried

Mr. M. Sivarama Menon *(Advocate-General):* I move that at the end of sub-clause (2) of clause 26, the words "by the Commissioner of Sales Tax" shall be added. It was an omission in the original Bill. There should be an officer authorised to authorise other officers who are to conduct the inspection. It is only to cure this omission that this amendment is tabled.

Mr. B. V. K. Menon *(Secretary to Government):* I second it.

Motion put and carried

LIBRARY ARCHIVES Kerala Legislative Assembly

Clause 26, as amended, put and carried

Clauses 27 to 40 put and carried

Mr. M. Sivarama Menon *(Advocate-General):* I move that for item 25 of the Schedule, the following shall be substituted:

"(25) cocoanut husks, cocoanut fibre, coir yarn and coir sold for local consumption".

The Hon'ble Members would find that the schedule as it stands takes in under item 25 coir sold for local consumption only. I have already brought to the notice of this House that it is not wise to subject this coir fibre, yarn, etc., to any sort of Sales Tax in view of the fact that we must encourage the industry of coir-yarn making and mat-making and so on in Cochin State and in order to stand competition of neighbouring States it is highly necessary to exempt them from this tax. There is another argument that if the coir mat industry is to thrive for some time we may have to import such stuffs and therefore as they are subject to Sales Tax in another place. it may tend to prejudice the growth and development of that industry in the State. Therefore, it is proposed, in view of the valuable information given by the Merchants Association, when they assembled in the Diwan's House yesterday, to exempt these from the scope of the Act, and the Government have accepted this position.

Mr. B. V. K. Menon *(Chief Secretary to Government):* I second it.

Dr. S. S. Rao *(Nominated):* Sir, I rise to move the following amendment.

"In item 18 the words 'or cocoanut oil cake' shall be deleted.

"In item.....

Mr. President: We can't discuss more than one amendment at one time. Does the Hon'ble Member wish to speak on the amendment moved by the Advocate-General ?

Dr. S. S. Rao *(Nominated):* No, Sir.

Motion put and carried

Dr. S. S. Rao *(Nominated):* Sir, I rise to move the following amendment to the schedule of exempted articles. "In item 18 the words 'or cocoanut oil cake' shall be deleted", "In item.....

Mr. President: Take one at a time; each one separately.

Dr. S. S. Rao *(Nominated):* This particular item I would like to be deleted because I have included the same in item 25. That is all what I have to say about that.

Mr. President: You want to transfer cocoanut oil cake from 18 to item 25. I think we had better confine the discussion to one amendment at a time, and we will settle this before we move on to another.

Shabdai S. Koder (*Nominated*): I second it.

Mr. M. Sivarama Menon (*Advocate-General*): Sir, I oppose the amendment, because the purpose of the amendment is not simply to shift those words to item 25, as was made out to be by the mover of the amendment. The succeeding amendments tabled by the Hon'ble Member are for the purpose of giving exemption to coir, cocoanut, copra, cocoanut oil and other things. As the question of giving exemption to the above articles was duly considered, before the Committee came to its conclusion, I request the House that the Schedule may be allowed to stand as it is.

Dr. S. S. Rao *(Nominated):* In view of the opinion that has been given by the Hon'ble Advocate-General, I do not propose to press this particular amendment.

Amendment, by leave, withdrawn

Dr. S. S. Rao (*Nominated*): Sir, my amendment to item 24 is that the words "coir or" shall be deleted. As my amendment to item 26 covers this point also. I would rather concentrate upon the amendments to items 25 and 26. I do not, therefore, propose to move this amendment.

Amendment to item No. 24 was not moved

LIBRARY ARCHIVES Kerala Legislative Assembly

Dr. S. S. Rao *(Nominated)* : Sir, the amendment suggested by me to item No. 25 runs as follows.—

"Item 25 shall be substituted as follows.—

"Cocoanut, copra, cocoanut oil and cocoanut oil cake"

In this connection I would like to impress upon the Government the imperative necessity that compelled me to table this amendment. The learned Advocate-General has already informed that there are no possibilities for the trade to be diverted. But I beg to differ from him. We have to bear in mind the psychology of the merchants. A merchant wants to take the best advantage of the prevailing prices, and if there is a slightest imposition of even half per cent tax and the prices naturally differ, there are all possibilities for the trade being affected. Another factor which I want to impress upon the Government is regarding the opinion given that exports and imports will not be affected. I have to site the example of Br. Cochin when the Sales-Tax was introduced there. Having known reliably the business tricks of some of the business magnets, I have so to think that the business magnets of Br. Cochin had their offices in Alleppey, and from Alleppey business had gone direct to Bombay and other places avoiding the Sales Tax imposed in Br. Cochin. There are solid instances and concrete examples to show the merchants of Br. Cochin having opened their offices in Mattancheri when Sales Tax was introduced in Br. Cochin. I think these are all concrete and solid facts to prove the possibilities of the exports and imports of our own port being affected when the Sales Tax is introduced here. Having placed all the facts which are quite relevant and quite reliable and feeling that the assurance given by the Hon'ble President will surely work its way for the betterment of the business prospects, I would inform the House that I do not wish to move this amendment.

Amendment not moved

Amendment to item No 26 also was not moved

Dr. S. S. Rao *(Nominated)*: Sir, my next amendment is.—

Add the following as items 28, 29 and 30.—

"28. Pepper
29. Ginger
30. Turmeric"

This particularly relates to the exemption of the three products mentioned in the amendment from the Sales Tax. I have particularly to again lay emphasis on what I have expressed before. I still hold that unless proper care is taken there are possibilities of exports and imports being affected. But the Hon'ble President having given the assurance that the trade interests will be properly protected, I do not propose to move my amendment.

Amendment not moved

Schedule as amended was then put and carried

Clause 1 of the Bill was put and carried

The title and preamble were next put and carried

Rama Varmha Tampuran, M.B.E. *(Chief Secretary to Government)*: Sir, I move that the Cochin Sales Tax Bill be taken up and finally passed tomorrow.

Mr. M. Sivarama Menon *(Advocate-General)*: I second it.

Mr. President: Tomorrow being a day allotted for non-official business, I would like to know whether Hon'ble members have any objection to take up this item of official business tomorrow.

Several Voices: No objection; no ojection.

Motion put and carried

9. The Cochin Verumpattamdars Act (Amendment) Bill

Mr. President: I have received a request from Mr. P. Kumaran Ezhuthassan that the reconsideration of his Verumpattamdars Act Amendment Bill be taken up before we continue the discussion on the introduction of the Tenancy Act (Amendment) Bill, the reason being if the Tenancy Bill is taken up next there may not be any possibility of reaching the reconsideration of the Verumpattrmdar's Act (Amendment) Bill. Therefore, if the Hon'ble Members agree, we may take up that Bill now.

(As the House assented agreement, the Verumpattamdars Act (Amendment) Bill was taken up for reconsideration).

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